

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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CASTLERIGG MASTER INVESTMENTS :
LTD., :
Plaintiff, :
-against- : Civ. No. 07-cv-9742 (GEL)(DCF)
CHARYS HOLDING COMPANY, INC., :
Defendant. :
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I, Matthew Pliskin, do hereby declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, as follows:

1. I am a Managing Director of Castlerigg.¹ I previously submitted a declaration in this matter dated January 11, 2008. I submit this reply declaration in further support of Plaintiff's Motion for Summary Judgment. The statements set forth below are based upon my personal knowledge.

Outstanding Principal on the Note

2. During the course of the transaction, I was provided with a spreadsheet detailing the Installment Payments that were to be made on the Note ("Installment Payment Spreadsheet"). A true and correct copy of this spreadsheet is attached hereto as Exhibit 1.

3. The Installment Payment Spreadsheet shows that the Installments Payments made by Charys on May 15, 2007 and July 1, 2007 were wholly applied to the principal amount of the

¹ All capitalized terms not defined herein shall have the meaning ascribed to them in Plaintiff's Motion for Summary Judgment.

Note. The August 1, 2007 Installment Payment made by Charys included amounts to be applied to both accrued interest as well as principal. (Ex. 1.)

4. Charys paid the August 1, 2007 Installment Payment of approximately \$508,487 in full. Of that \$508,487, \$406,268 was applied to principal and \$102,220 was applied to accrued interest. (Ex. 1.)

5. The outstanding principal on the Note, after properly applying the August 1, 2007 Installment Payment, is \$4,037,560. (Ex. 1.)

6. All of the damages calculated on behalf of Castlerigg in the declaration that I previously submitted dated January 11, 2008 were based upon the outstanding principal amount of the Note of \$4,037,560.

Outstanding Attorneys Fees

7. To date, Castlerigg has incurred \$64,343.11 in costs and attorneys's fees and disbursements in bringing and prosecuting this action.

8. During the course of McDermott Will & Emery LLP's ("McDermott") representation of Castlerigg in this matter, it has provided invoices for its services on a monthly basis. Attached hereto as Exhibits 2, 3, and 4 are true and correct copies of the invoices received by Sandell Asset Management on behalf of Castlerigg for the months of October, November and December, respectively.

9. Although Castlerigg has not yet received an invoice for McDermott's services for the month of January, I have been supplied with a "pre-bill" evidencing the services rendered by McDermott for the month of January. Attached hereto as Exhibit 5 is a true and correct copy of the pre-bill for the services rendered by McDermott for the month of January.

I declare under penalty of perjury, pursuant to 28 U.S.C. § 1746, that the foregoing is true and correct.

Executed: February 1, 2008



Matthew Pliskin